

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 214

Introduced by Quandahl, 31

Read first time January 10, 2003

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to accountants; to amend sections 1-114, 1-118,
2 1-119, 1-120, 1-124, 1-135, and 1-136, Reissue Revised
3 Statutes of Nebraska; to change provisions relating to
4 examinations and fees; to repeal the original sections;
5 and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 1-114, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 1-114. ~~(1) Prior to January 1, 1998, the board shall~~
4 ~~issue a certificate of certified public accountant to any person~~
5 ~~(a) who is a resident of this state or has a place of business~~
6 ~~therein or, as an employee, is regularly employed therein, (b) who~~
7 ~~has graduated from a college or university of recognized standing,~~
8 ~~and (c) who has passed a written examination in accounting,~~
9 ~~auditing, and such other related subjects as the board determines~~
10 ~~to be appropriate.~~

11 ~~(2) On and after January 1, 1998, the~~ The board shall
12 issue a certificate of certified public accountant to any person
13 (a) who is a resident of this state or has a place of business in
14 this state or, as an employee, is regularly employed in this state
15 and (b) who has passed a ~~written~~ an examination in accounting,
16 auditing, and such other related subjects as the board determines
17 to be appropriate.

18 Sec. 2. Section 1-118, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 1-118. (1) The board may by rule and regulation
21 prescribe the terms and conditions under which a person who ~~passes~~
22 does not pass the examination in one ~~or more of the subjects~~
23 ~~indicated in section 1-114 sitting~~ may be reexamined. ~~in only the~~
24 ~~remaining subjects with credit for the subjects previously passed.~~
25 The board may also provide by rule and regulation for a reasonable
26 waiting period for reexamination.

27 (2) Any person who is eligible to take the examination
28 under subsection (1) of section 1-116 and passes the examination in

1 one or more of the subjects may be reexamined in the remaining
2 subjects after January 1, 1998, without meeting the requirements of
3 subsection (2) of section 1-116 subject to the rules and
4 regulations of the board.

5 (3) A person shall be entitled to any number of
6 reexaminations under section 1-114 subject to the rules and
7 regulations of the board.

8 Sec. 3. Section 1-119, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 1-119. The board shall charge a fee as established by
11 the board not to exceed ~~two~~ four hundred dollars for the initial
12 examination provided for in section 1-114. An applicant for the
13 examination may be required to pay additional fees for a third
14 party administering the examination, if required by the board.

15 Sec. 4. Section 1-120, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 1-120. The board shall charge fees as established by the
18 board for reexaminations under section 1-114. Such fees shall not
19 exceed ~~fifty~~ one hundred dollars for each subject in which a person
20 is reexamined. An applicant for the examination may be required to
21 pay additional fees for a third party administering the
22 examination, if required by the board.

23 Sec. 5. Section 1-124, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 1-124. The board may, in its discretion, waive the
26 examination described in section 1-114 and may issue a reciprocal
27 certificate as a certified public accountant to any person who
28 possesses the qualifications specified in subdivision (1)(a) or

1 (2) (a) of section 1-114 and section 1-116 and who is the holder of
2 a certificate as a certified public accountant, then in full force
3 and effect, issued under the laws of any state or is the holder of
4 a certificate, license, or degree in a foreign country constituting
5 a recognized qualification for the practice of public accountancy
6 in such country, comparable to that of a certified public
7 accountant of this state, which is then in full force and effect.
8 The board shall charge each person obtaining a reciprocal
9 certificate issued under this section a fee as established by the
10 board not to exceed ~~two~~ four hundred dollars.

11 Sec. 6. Section 1-135, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 1-135. Each office established or maintained in this
14 state for the practice of public accountancy in this state by a
15 certified public accountant, by a partnership of certified public
16 accountants or a limited liability company of certified public
17 accountants registered under section 1-126, by a public accountant
18 registered under sections 1-128 to 1-130 as such sections existed
19 on September 20, 1957, by a partnership of public accountants or a
20 limited liability company of public accountants registered under
21 section 1-133, by a foreign accountant registered under section
22 1-125, or by a corporation registered under section 1-134 shall be
23 registered annually under the Public Accountancy Act with the
24 board. ~~7 but no fee shall be charged for the registration of the~~
25 ~~first office.~~ The board shall charge an annual fee for the
26 registration of ~~the second and each additional~~ each office as
27 established by the board not to exceed ~~fifty~~ one hundred dollars.
28 The board shall by rule and regulation prescribe the procedure to

1 be followed in effecting such registrations.

2 Each office shall be under the supervision of a manager
3 who holds a permit issued under section 1-136 which is in full
4 force and effect. Such manager may serve in such capacity at one
5 office only. Such manager shall be directly responsible for the
6 supervision and management of the office and may be subject to
7 disciplinary action for the actions of the person or firm or any
8 persons employed by that office of the person or firm within the
9 State of Nebraska which relate to the practice of public
10 accountancy.

11 Sec. 7. Section 1-136, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 1-136. (1) Permits to engage in the practice of public
14 accountancy in this state shall be issued by the board to (a)
15 persons who are holders of the certificate of certified public
16 accountant issued under sections 1-114 to 1-124 and who have met
17 the experience requirements of section 1-136.02, (b) foreign
18 accountants registered under section 1-125, (c) partnerships and
19 limited liability companies of certified public accountants
20 registered under section 1-126, (d) persons registered as public
21 accountants under sections 1-128 to 1-130 as such sections existed
22 on September 20, 1957, (e) partnerships and limited liability
23 companies of public accountants registered under section 1-133, and
24 (f) corporations registered under section 1-134 as long as all
25 offices of such certificate holders or registrants in this state
26 for the practice of public accountancy are maintained and
27 registered as required under section 1-135.

28 (2) (a) Except as provided in the case of permits subject

1 to subdivision (2)(b) of this section, the board shall charge an
2 annual permit fee as established by the board not to exceed one
3 hundred fifty dollars. All permits subject to this subdivision
4 shall expire on June 30 of each year and may be renewed annually
5 for a period of one year by certificate holders and registrants in
6 good standing upon payment of an annual renewal fee as established
7 by the board not to exceed one hundred fifty dollars. The board
8 may prorate the fee for any permit subject to this subdivision
9 issued for less than one year.

10 (b) ~~Commencing June 30, 1998, the~~ The board shall charge
11 a biennial permit fee as established by the board not to exceed ~~two~~
12 three hundred dollars for permits issued under subdivisions (1)(a),
13 (1)(b), and (1)(d) of this section. All permits subject to this
14 subdivision shall expire on June 30 of the first calendar year
15 after the calendar year of issuance in which the age of the
16 certificate holder or the registrant becomes divisible by two, and
17 may be renewed biennially for a period of two years by certificate
18 holders and registrants in good standing upon payment of a biennial
19 renewal fee as established by the board not to exceed ~~two~~ three
20 hundred dollars. The board may prorate the fee for any permit
21 subject to this subdivision issued for less than two years.

22 (3) Failure of a certificate holder or registrant to
23 apply for a permit within (a) three years from the expiration date
24 of the permit last obtained or renewed or (b) three years from the
25 date upon which the certificate holder or registrant was issued a
26 certificate or registration if no permit was ever issued to such
27 person shall deprive him or her of the right to issuance or renewal
28 of a permit unless the board, in its discretion, determines such

1 failure to have been excusable. In such case the renewal fee or
2 the fee for the issuance of the original permit, as the case may
3 be, shall be such amount as established by the board not to exceed
4 ~~one hundred dollars and, commencing June 30, 1998, not to exceed~~
5 ~~two~~ three hundred dollars.

6 (4) Any certificate holder or registrant who has not lost
7 his or her right to issuance or renewal of a permit and who is not
8 actively engaged in the practice of public accountancy in this
9 state may file a written application with the board to be
10 classified as inactive. A person so classified shall not be issued
11 a permit or be deemed the holder of a permit but shall be carried
12 upon an inactive roll to be maintained by the board upon the
13 payment of an inactive fee as established by the board not to
14 exceed ~~forty~~ fifty percent of the fee charged persons actively
15 engaged in the practice of public accountancy as provided in this
16 section. A person so classified shall not be deprived of the right
17 to the issuance or renewal of a permit and may, upon application to
18 the board and upon payment of the current permit fee, be issued a
19 current permit.

20 Sec. 8. Original sections 1-114, 1-118, 1-119, 1-120,
21 1-124, 1-135, and 1-136, Reissue Revised Statutes of Nebraska, are
22 repealed.

23 Sec. 9. Since an emergency exists, this act takes effect
24 when passed and approved according to law.